



CITY OF MORGAN HILL

17555 PEAK AVENUE MORGAN HILL CALIFORNIA 95037

Website Address: www.morgan-hill.ca.gov / Email: General@ch.morgan-hill.ca.gov

PLANNING COMMISSION MINUTES

REGULAR MEETING

JULY 11, 2000

PRESENT: Lyle, McMahon, Mueller, Pinion, Ridner

ABSENT: Kennett, Sullivan

LATE: None

STAFF: Community Development Director (CDD) Bischoff, Planning Manager (PM) Rowe, Interim City Attorney (ICA) Leichter and Administrative Secretary Smith

REGULAR MEETING

Chairman Pinion called the meeting to order at 7:00 p.m.

DECLARATION - POSTING OF AGENDA

Administrative Secretary Smith certified that this meeting's agenda was duly noticed and posted in accordance with Government Code Section 54954.2.

PUBLIC COMMENTS

Chairman Pinion opened the floor to public comments.

There being none, Chairman Pinion closed the public comments.

MINUTES

JUNE 27, 2000

COMMISSIONERS MUELLER/LYLE MOTIONED TO APPROVE THE JUNE 27, 2000 MEETING MINUTES AS WRITTEN. THE MOTION CARRIED BY A VOTE OF 3-0, WITH MCMAHON, PINION ABSTAINING, AND KENNETT, SULLIVAN ABSENT.

**SELECTION
OF CHAIR/
VICE CHAIR**

PM Rowe reviewed the Chair and Vice Chair selection process policy.

ON A MOTION BY COMMISSIONERS LYLE/MUELLER, COMMISSIONER KENNETT WAS SELECTED AS CHAIR AND COMMISSIONER RIDNER AS VICE CHAIR. THE MOTION CARRIED ON A VOTE OF 5-0, WITH KENNETT, SULLIVAN ABSENT.

Commissioner Ridner requested that Commissioner Pinion continue to chair the meeting in Commissioner Kennett's absence.

Upon the suggestion of Commissioner Mueller, the Commission agreed to hear agenda Item #2 at this time.

OTHER BUSINESS:

**2) REVIEW OF
POSSIBLE
SCHOOL SITE
ACQUISITION-
NEW HIGH
SCHOOL AT
TENNANT AVE.
& MURPHY AVE.**

PM Rowe presented the staff report, indicating that the comments from the Commission should focus on comprehensive community planning issues and matters relating to the safety of pupils. He provided the following comments for the Commission's consideration: 1) The advantage of Tennant Avenue and Murphy Avenue being more centrally located compared to the Sobrato site in terms of serving the District's school population; 2) The Tennant and Murphy site would be superior to the Sobrato site by proximity to Highway 101, as it would take the school off the heavily congested commuter corridor; 3) The requirement for area wide transportation improvements to serve the high school in the Tennant Avenue area, which is anticipated in that area over time in the General Plan build-out conditions; and 4) In terms of land use, the Tennant and Murphy site is presently located outside the City's long term urban growth boundary. PM Rowe noted that depending if the School District were to move quickly on this, it is possible, in conjunction with the current General Plan update, that recognition could be given to this site for the high school. He also indicated that a study looking at a green belt area to the south of Tennant will be conducted following the updating of the General Plan, which will require an amendment to the General Plan. That amendment could also include acknowledgment of the location of the high school. PM Rowe summarized the following other comments offered by the Commissioners to include in the report to the School District: 1) Discussion on the availability of sewer and water; 2) In terms of other services of public safety, that the Tennant and Murphy Avenue site is near an existing police patrol area, and within a five minute response time of two fire stations; 3) Discussion of the physical impact on the school, both in terms of the impact on the District, as well as the impacts on other agencies such as the City and the provision of its services; 4) Emphasize that this site is within the City's sphere of influence, and with LAFCO approval could be annexed into the City, and therefore, would not require agreements with other agencies for provisions for outside services. This would remove it from potential litigation concerning the Tennant and Murphy Avenue site.

Chairman Pinion opened the meeting to public comments.

Bonnie Branco, Representative of the Morgan Hill Unified School District, offered to provide Staff and the Commission with a plat map based on the current student enrollment

to ensure that the comments provided regarding the superior location of the Tennant and Murphy Avenue site, compared to the Sobrato site, are substantiated. In response to Commissioner Lyle's inquiry, she advised that the Administrative Draft EIR is being distributed to the School District for review the weekend of July 15th. Ms. Branco also indicated that on September 16th, beginning at 9 a.m., an all-day public meeting on the EIR will be held. She added that the EIR is written so that they can go in the direction of either the Tennant and Murphy Avenue site or the Sobrato site. Ms. Branco stated that the School District will be making their decision on October 9th.

Chairman Pinion closed the public comments.

Commission discussion ensued. Commissioner Lyle stated that he felt PM Rowe covered the areas that were of concern to him, and reemphasized the importance of those concerns. Commissioner Mueller added that the potential for joint use for recreational and other facilities is better at the Tennant and Murphy Avenue site because of access, and the fact that the City is actively looking at a soccer complex near that area. Commissioner McMahon stated that if the comparison is going to be done of the Tennant and Murphy Avenue site to the Sobrato site, that they should somehow get as close to a real comparison of acquisition cost of each site, including facilities, fire and the real potential for litigation in both cases as part of the actual acquisition cost.

Commissioner Pinion suggested that if the School District decide to go with the site at Tennant and Murphy Avenue and to keep the Sobrato site, that they could sell rights for a burrowing owl habitat on the Sobrato site. In that way, they could recover quite a bit of the money, and also use part of that area for the farm program..

OLD BUSINESS:

1) ZA-98-11: CITY A City-initiated request to amend Chapter 18.30 of the Municipal Code as it defines **OF MORGAN HILL** allowable uses and standards for development of properties in the Planned Unit **PUD ZONING FOR** Development (PUD) zoning district. This request will also establish allowable uses **DUNNE & CONDI**and specific development standards for properties located in the PUD zoning districts located in the following areas:

- north side of E. Dunne Ave., bounded by Butterfield Blvd., Diana Ave. and the railroad tracks.
- north side of E. Dunne Ave., bounded by Highway 101 and Walnut Grove Dr., including its northeasterly extension.
- north side of E. Dunne Ave. between Murphy Ave. and Condit Rd.
- south side of E. Dunne Ave. between Murphy Ave. and Condit Rd.
- west side of Condit Rd., bounded by Highway 101, E. Dunne Ave. and Tennant Ave.

CDD Bischoff presented the staff report, and reviewed the significant changes to the proposed amendments and allowable uses and development standards. He also advised the Commission that ICA Leichter was available to answer any questions regarding her legal opinion with respect to some of the provisions of the proposed changes which were questioned by a representative of the property owners in Area 5. CDD Bischoff then identified changes and errors in the document that would require correction.

The Commission queried CDD Bischoff. He responded to Commissioner McMahon's question of why the limitation of the number of hotels or the number of rooms in one particular PUD, but not City-wide. He stated that some of the PUDs are smaller than others, so there is not as much of a potential for duplication of uses, and that it was established because Area 5 has so many of a single use than in any of the other PUDs. Commissioner Mueller stated that the clustering issue was also a concern. He also commented that Area 5 is very unique, in that it is the only Highway Commercial District in Morgan Hill that has two freeway interchanges and a frontage road along Hwy 101, and that there is no way to duplicate it anywhere in the City because of the freeway access. He further said that he felt that it is a reasonable situation for the City to look at and try to limit and control the repetitive nature that uses these unique lots.

Commissioner McMahon requested CDD Bischoff to respond to the issue that was raised by the disgruntled applicant in the letter from his attorney, in which he seem to speculate that the real reason for the Area 5 PUD was for economic viability for some of the other hotels. CDD Bischoff stated that he did not know why the applicant is suggesting that reason; however, he was aware that there were owners of some of the existing hotels who made presentations before the Council in which they said they did not want to see additional competition, and perhaps he is referring to that. He stated that if the City was interested in limiting competition, the City would not have approved the Marriott and Residence Inn hotels on Cochrane just recently. He went on to say that in all of Staff's work, and in discussions with the Subcommittee and even in discussions before the Commission, Staff has always been looking at limiting an over-concentration of any one kind of land use in an area. ICA Leichter added that if you go back and look at the record of how this PUD was developed and the concerns raised, it is quite clear, beyond just avoiding the over-concentration of this particular use, that the reasons that contributed to the creation of this PUD included traffic congestion, safety issues, the visibility of those parcels from Hwy 101, and the pendency of the General Plan Update. It certainly was not limited to economic factors on behalf of the individual hotel owners which already exist in town. ICA Leichter continued by stating that, as pointed out by CDD Bischoff, that fact is certainly alleviated by the City's recent action in approving other hotel parcels.

Commissioner Ridner asked if there had been discussion by the Subcommittee with respect to Area 1 regarding the possibility of multi-family residential within the PUD area? He indicated that the reason he asked this question was because of the proximity to the train station, as he would think that would be a compatible use with the future community center. CDD Bischoff responded to Commissioner Ridner's question by stating that it had not been discussed and that the General Plan designation on the property currently is Commercial. Therefore, although PUDs would allow for residential uses, a mixed-use General Plan designation would be required in order for that to happen. Commissioner Ridner requested that residential uses be reconsidered for that area, because with all the talk about smart growth and about creating higher density closer to the transportation access points, he felt this would certainly be a site that would be well-positioned in that regard. Commissioner Mueller stated that he felt that it would be a good topic for the Planning Commission to address when they review the General Plan, as opposed to addressing it with the PUDs at this point in time. He added that the housing requirements need to be looked at in conjunction with the Housing Element Update, which will occur during the next calendar year.

Commissioner Mueller asked if it would be appropriate to add language to Resolution No. 00-44 that would strengthen the findings to indicate the uniqueness of the Area 5 location being a Highway Commercial District. ICA Leichter stated that she felt it would certainly be appropriate to reflect what is actually on record to-date and some of the concerns verbalized by the public, the Council and the Commission over the years. She indicated that on Page 2 of her letter to Attorney Mitchell Miller that some of the language regarding the reasons for the Council's decision to go to the PUD is set forth, but if the Commission wanted to limit a "whereas clause" to the uniqueness of the parcel and the visibility from Hwy 101, that would also be appropriate. ICA Leichter recommended incorporating the second and third sentences of paragraph 1 on Page 2 of her letter to Attorney Miller which reads: "In June 1998, the Council directed City Staff to initiate rezoning of the Dunne Avenue and Condit Road business districts to a Planned Unit Development. The record demonstrates that the reasons for the Council's decision included traffic congestion, public safety issues, the pendency of the City's General Plan update, the high visibility of the parcels in the PUD from Highway 101, the relatively small parcel sizes, and the need to balance community, industrial and residential uses within the PUD."

Chairman Pinion opened the meeting to public comments.

There being none, Chairman Pinion closed the public hearing.

The Commission entered into discussion. Commissioner Lyle indicated that he had several issues he wanted to raise. Firstly, with respect to Area 2 on Page 2 regarding the conditional use of motels and hotels, he stated that in his opinion the motel and hotel use should be removed or reconsideration be given to whether or not a second auto sales and service use should be in that area. He requested the Commission to hold discussion regarding this issue. Commissioner Mueller stated that he would be very uncomfortable with adding a second auto sales and service use, as he felt a commitment to the community had been pretty much made not to. He indicated that he had no issue with deleting the motel and hotel use, adding that if an applicant felt that it was the only place he would want to go in, then the possibility exist to amend the PUD. Commissioner McMahon stated that she thinks there are two positives for motels and hotels uses in Area 2. One would be, from the perspective of them being right up against the residential use, that she would rather be next to a nice motel or hotel as a buffer between the commercial and the residential use rather than another car lot. Secondly, she felt you would get better architectural relief and a prettier building with a motel or hotel than some of the other uses. In conclusion she stated that while it is not an ideal location for a motel or hotel, she did not see any advantage or purpose served by removing them from the list as potential conditional uses. Chairman Pinion stated that he also had no objection to leaving the motels and hotels as a conditional use, but that he thinks that it is unlikely that one would be built there. CDD Bischoff pointed out that the overall PUD standards would apply, along with the specific standards for each of the individual areas.

2) Area 4, Pages 4 and 5 - Commissioner Lyle expressed concern that it is not clear to him, the way it is written for Area 4, that another strip mall with a dry cleaners, restaurant, hair salon, etc., would be prevented. He stated that he had trouble seeing how a hair salon or dry cleaners is supportive of a restaurant, office, financial service or conference

center, and that the objective should be changed somewhat and focused more on retail needs or other things. He further noted that he was fine with the conference center there since there are so many hotels and motels in the area. Chairman Pinion asked why not place conference centers in Area 5? Commissioner Lyle agreed that there could be a conference center in Area 5 as well. He commented that he was more concerned about the service usage that is there, and if there is going to be something there, he would like for it to look nice. He added that the kind of uses that are indicated as examples there would not look nice.

CDD Bischoff stated that he agreed with Commissioner Lyle, and that the Subcommittee would also like to see a coordinated overall center there and not a strip mall. Therefore, irrespective of whether it is going to contain retail uses, service uses or any other kind of a use, the Subcommittee would want some kind of an overall plan there and it would need to be a center of a decent size. Commissioner Lyle reiterated that as it reads now, one sentence indicates 50,000 sq. ft. in size; however, if someone does not meet that square footage, it does not appear that it precludes having something less in size than 50,000 sq. ft. there. CDD Bischoff suggested that the square footage size be increased and language be added to the Site Design Development Standards to ensure that the entire area is developed as a single unit. Commissioner Lyle stated that he would like to see language to that effect added, as well as the examples of permitted or conditional uses on Page 4 in the first paragraph removed. PM Rowe suggested the addition of language to the inclusion notation on Page 5 to read: “.....these permitted or conditional uses **examples** (e.g., dry cleaners, restaurant, hair salon, etc.) in the PUD shall only be allowed **as part of a coordinated center of at least 50,000 sq. ft.** and only upon granting of a conditional use permit finding”. It was the general consensus of the Commission to add PM Rowe’s suggested language to the inclusion note on Page 5, Exhibit A of Resolution No.00-44.

Commissioner Lyle also stated that he would like to limit the number of signs in Area 4, indicating that he would like to see a shared sign, and not a lot of individual signs, as there is one access point from Dunne Avenue. Commissioner Pinion pointed out that Area 4 has a lot of potential, where Area 2 does not, so he would think that could potentially offset and make it more valuable for freeway use just because it has that flexibility. He then asked why not allow a central sign instead of several monument signs? CDD Bischoff responded that there is nothing to preclude that from happening, and that as part of the specific design guidelines for the PUD, it could be stated that there will only be one monument sign. Commissioner Mueller suggested that for site development specific to Area 4, that it could be indicated that they are looking for a monument sign in support of the development. It was the general consensus of the Commission to modify Item 1 under Signage on Page 5 of Exhibit A of Resolution No. 00-44 to indicate only one shared monument sign.

Area 5 - Commissioner Lyle stated that his preference is to limit the number of hotels and motels, and that he did not mind if the existing ones expanded. Commissioner Mueller agreed with Commissioner Lyle. Chairman Pinion pointed out that if you limit it to a certain number of rooms, then you could potentially not build any more hotels, because if one of the existing hotels expanded their potential, it would probably reduce the number of rooms to the point that it would not be feasible for someone to build another hotel. Commissioner Mueller stated that he felt that there are already enough hotels, considering

the uniqueness of that area. Commissioner Lyle stated that he would like to see some complementary services go in there and that esthetics is also important to him in that area. Commissioner Mueller stated he did not see any benefit to the City to allow more concentrated use in that area. Chairman Pinion requested that conference centers be added as a conditional use in Area 5. It was the general consensus of the Commission that it could be. Commissioner McMahon stated her preference would be to limit the number of hotels versus limiting the number of rooms, because she felt it leaves the City the greatest amount of flexibility, and that she agreed with Commissioner Mueller that it allows for the other parcels to be used for different uses. Chairman Pinion stated that his concern is not to have a monotony of roof lines all running down the freeway that will obscure the view. He also agreed to the limitation of five hotels in Area 5. CDD Bischoff reviewed and clarified the changes made.

COMMISSIONERS MUELLER/MCMAHON MOTIONED TO APPROVE THE NEGATIVE DECLARATION. THE MOTION CARRIED BY A VOTE OF 5-0, WITH KENNETT AND SULLIVAN ABSENT.

ON A MOTION BY COMMISSIONERS MUELLER/MCMAHON, RESOLUTION NO. 00-43 WAS APPROVED, WITH THE CORRECTION OF SECTION 18.30.010 TO READ SECTION 18.30.100 ON PAGE 9, EXHIBIT A, WITH A RECOMMENDATION FOR APPROVAL TO THE CITY COUNCIL. THE MOTION CARRIED BY A VOTE OF 5-0, WITH KENNETT AND SULLIVAN ABSENT.

ON A MOTION BY COMMISSIONERS MUELLER/LYLE, RESOLUTION NO. 00-44 WAS APPROVED, RECOMMENDING CITY COUNCIL APPROVAL OF DEVELOPMENT STANDARDS AND ALLOWABLE USES FOR FIVE PLANNED UNIT DEVELOPMENT AREAS, WITH THE FOLLOWING AMENDMENTS: 1) PAGE 2, PARAGRAPH 1 OF ICA LEICHTER'S LETTER TO ATTORNEY MITCHELL MILLER , ADD SECOND AND THIRD SENTENCE AS A "WHEREAS CLAUSE"; 2) PAGE 3, EXHIBIT A UNDER AREA 3 CONDITIONAL USES, AMEND FIRST SENTENCE TO READ: "ONE OF EACH TYPE OF THE FOLLOWING USES SHALL BE CONDITIONALLY ALLOWED WITHIN THE PUD:"; 3) PAGE 3, EXHIBIT A UNDER AREA 3 CONDITIONAL USES, AMEND THE FOURTH USE TO READ: "NO MORE THAN THREE ONE FAST-FOOD RESTAURANTS, ONLY ONE OF WHICH MAY BE FREESTANDING**"; 4) PAGE 4, EXHIBIT A, FIRST PARAGRAPH, AMEND FIRST SENTENCE TO READ: ".....ANY KIND OF THESE PERMITTED OR CONDITIONAL USES (~~E.G. DRY CLEANERS, RESTAURANT, HAIR SALON, BOOK STORE, ETC.~~) IN THE PUD SHALL"; 5) PAGE 4, EXHIBIT A UNDER AREA 4, ALLOWABLE USES PERMITTED, STAFF DIRECTED TO AMEND LANGUAGE TO MORE ACCURATELY IDENTIFY THE INTENT CONSISTENT WITH THE CONDITIONAL USES PROVIDED; 6) PAGE 5, EXHIBIT A UNDER AREA 4, AMEND THE INCLUSION NOTATION TO READ: ".....THESE PERMITTED OR CONDITIONAL USES **EXAMPLES** (E.G., DRY CLEANERS, RESTAURANT, HAIR SALON, ETC.) IN THE PUD SHALL ONLY BE ALLOWED **AS PART OF A COORDINATED CENTER OF AT LEAST 50,000 SQ. FT.** AND ONLY UPON**

GRANTING OF A CONDITIONAL USER PERMIT FINDING.....”; 7) PAGE 5, EXHIBIT A UNDER SIGNAGE DEVELOPMENT STANDARDS, AMEND ITEM 1 TO READ: “.....MONUMENT SIGNS IN THE PUD SHALL **BE** INDIRECTLY ILLUMINATED.”; 8) PAGE 5, EXHIBIT A UNDER SIGNAGE DEVELOPMENT STANDARDS, MODIFY TO READ: “**A SINGLE SHARED MONUMENT SIGN ON DUNNE AVENUE**”; 9) PAGE 6, EXHIBIT A UNDER AREA 5 PERMITTED ALLOWABLE USES, DELETE LISTED USES “MOTELS AND HOTELS, A MAXIMUM OF 400 ROOMS WILL BE ALLOWED IN THE PUD”; 10) PAGE 6, EXHIBIT A UNDER AREA 5 CONDITIONAL USES, ADD **CONFERENCE CENTERS**. THE MOTION CARRIED ON A VOTE OF 5-0, WITH KENNETT AND SULLIVAN ABSENT.

3) POSSIBLE
CANCELLATION
OF AUGUST 22,
2000 PC MTG.

COMMISSIONERS MUELLER/LYLE MOTIONED TO CANCEL THE AUGUST 8, 2000 MEETING AND HOLD THE NEXT MEETING ON THEIR NEXT SCHEDULED MEETING DATE OF AUGUST 22, 2000. THE MOTION CARRIED BY A VOTE OF 5-0, WITH KENNETT AND SULLIVAN ABSENT.

The Commission will be holding a workshop with the Morgan Hill Unified School District to review the amended Draft EIR for the new high school. The workshop is scheduled for Tuesday, August 22, 2000 from 6 p.m. to 7 p.m. in the Council Chambers.

ANNOUNCEMENTS:

ADJOURNMENT: There being no further business, Chairman Pinion adjourned the meeting at 8:47 p.m.

MINUTES RECORDED AND PREPARED BY:

FRANCES O. SMITH
Administrative Secretary

